



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Child Development and Early
Education

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COVID-19 CHILD CARE PAYMENT POLICIES

Issued April 3, 2020; Updated March 26, 2021

These policies apply to licensed or regulated child care facilities for the months of April, May, June, July, August, September, October, November, and December 2020. New information has also been added for March and April 2021 (subject to the availability of funding) related to:

- 1) Operational Grants to open providers,
- 2) Subsidized Child Care program payments,
- 3) Bonus payments to child care teachers and staff providing services during the COVID-19,
- 4) Emergency School-Age Family Support Program,
- 5) NC Pre-K Program payments, and
- 6) Emergency Child Care Subsidy program payments.

1. OPERATIONAL GRANTS

The North Carolina Division of Child Development and Early Education (DCDEE) is providing monthly operational grants to open child care providers the months of March and April 2021. These grants continue to help providers with monthly fixed operating costs during the COVID-19 crisis and can be used to address any current lead mitigation costs that occur in the month in which the grant was awarded.

The operational grants are available to all private, licensed (or operating under a notice of compliance) child care centers and homes that are open to serve children and families. Child care providers eligible for operational grants can expect to see the money deposited into their accounts during the weeks of March 15, 2021, and April 12, 2021. As a reminder, please allow 5-7 business days for operational grant funds to post to bank accounts.

Operational grant totals will be determined based on facilities' pre-pandemic enrollment, current star rating, and the number of infants and toddlers served. DCDEE has posted the formula for the grants for the months of [March](#) and [April](#). If you have questions regarding the specific amount of the operational grant awarded to your facility, call or email using the contact information below. Please have the **facility name** and **license number** available.

- dcdee.communications@dhhs.nc.gov
- Alamance through Forsyth Counties, contact Arlette Lambert at 919.703.5262.
- Franklin through Orange Counties, contact Laura Hewitt at 919.703.7916.
- Pamlico through Yancey Counties, contact Theresa Rodersheimer at 919.703.6947.

2. SUBSIDIZED CHILD CARE PROGRAM PAYMENTS

Payments:

- March through May 2020: DCDEE will make Subsidized Child Care Program payments to ALL subsidized child care providers for March, April, and May service months, regardless of whether the facility is open or closed. The payment for March will be based on providers entering attendance for all subsidy children as present for all service days during the month of March. The payment amount for April and May will be consistent with the March payments for February services for all providers (as recorded in NC FAST). DCDEE is paying the parent fees for April and May service months and these totals will be added into the April and May payments.
- June, July, and August 2020: DCDEE will also make Subsidized Child Care Program payments only to providers that are open in June.
- Beginning with the service month of September 2020, child care facilities are asked to enter true attendance into the NC FAST Provider Portal and payment for services will be calculated based on this attendance only. There will no longer be a differential amount calculated. Child care facilities who remain closed will not receive payment for any subsidized children.

Copayments: DCDEE will be covering the cost of the parent co-payment during the months of March and April 2021. Child care programs are instructed not to collect parent copayments for those months.

Payment Schedule: Subsidized child care program payments and parent copayments were paid on a modified schedule during the months of March, April, May, June, and July 2020 to support child care programs during this crisis.

Beginning with the service month of September, subsidized child care program payments have resumed the normal payment schedule.

Recording Attendance: Child care subsidy providers who remain open and have children with a subsidized child care voucher attending their facility should record ACTUAL attendance for these children **beginning** in August. Child care subsidy providers who remain open and have children with a subsidized child care voucher who are not attending their facility should record Not Scheduled for these children **beginning** in August. Child care subsidy providers who are closed should not record any attendance in the NC FAST Provider Portal **beginning** August.

Beginning with the service month of September 2020, child care facilities are asked to enter true attendance into the NC FAST Provider Portal and payment for services will be calculated based on this attendance only. There will no longer be a differential amount calculated. Child care facilities who remain closed will not receive payment for any subsidized children.

Although DCDEE is returning to the usual payment cycle, DCDEE understands that many child care facilities will have periods of time in which they are closed or have classrooms that are closed due to the COVID-19 pandemic or there will be subsidized children who are not able to attend a full month due to the need to quarantine. DCDEE will continue to pay subsidized child care providers for days that they are either closed or a child cannot attend due to the COVID-19 pandemic. **Detailed instructions on how to record**

attendance in the NC FAST Provider Portal have been provided through the Provider Portal Email Listserv.

3. BONUS PAYMENTS TO CHILD CARE STAFF PROVIDING SERVICES DURING COVID-19

Purpose: All child care employees working on-site at a child care facility that is approved to provide child care in November and December 2020, as well as teachers and assistants in NC Pre-K and Head Start programs who are serving children face-to-face during November and December, were eligible to receive a bonus for their service during the COVID-19 crisis.

Eligibility: Bonus payments were available for both child care centers and family child care homes and to both teaching and non-teaching staff, full and part-time, working on-site at the child care facility. All teachers and assistants working in NC Pre-K and Head Start programs who are serving children face-to-face were eligible for the bonuses.

- Teaching staff included lead, assistant, and other resource teachers working directly with children in the classroom.
- Non-teaching staff included administrators, directors, cooks, and janitorial staff.
- An employee was considered part-time for the purpose of these bonuses if they are working on-site at a facility 20 hours a week or less.

Process:

- DCDEE paid bonus payments directly to child care programs and public school systems.
- All child care programs approved to operate attested that they will provide teachers and staff with bonus pay, at no less than the amounts funded by DCDEE.
 - Providers had to pay staff prorated amounts of the monthly bonus payment at regular employee pay periods. Providers have the flexibility to make payments to their employees after receiving the bonus payment amounts from DCDEE.
 - Child care programs that reopen in the middle of November and/or December were also eligible for bonus payments for employees. These programs received prorated bonus payments.
 - Child care programs have the flexibility to offer additional bonuses to staff using their own funds.
 - *NOTE: Some GS-110 religious sponsored programs operating under the Emergency Child Care guidelines have requested to be exempted from all COVID-19 related funding. If a GS-110 program has chosen to be exempted, staff did not receive these bonuses.*

Rates: As of October 2020, the bonus payment amounts were as follows for those employed at the **same program** for **November and December**:

	Full-Time Employees	Part-Time Employees
Teaching Staff	\$450 per teacher – November \$600 per teacher – December	\$225 per teacher – November \$300 per teacher – December
Non-Teaching Staff	\$250 per staff – November \$325 per staff – December	\$125 per teacher – November \$165 per teacher – December

As of October 2020, the bonus payment amounts were as follows for new employees or those **not** at the **same program** for **November and December**:

	Full-Time Employees	Part-Time Employees
Teaching Staff	\$450 per teacher for November & December	\$225 per teacher for November & December
Non-Teaching Staff	\$250 per staff for November& December	\$125 per teacher for November & December

- Staff were eligible for the full bonus payment amount shown in the chart above if they were not absent from work for more than 10 days during the month not related to COVID-19 closures. For new hires or staff missing more than 10 days not due to COVID-19 closures, the bonus payment was prorated using a daily rate. (To calculate the daily rate, divide the bonus amount by 21.67 then multiple that by the number of days the employee worked.)
- Bonus payments were subject to payroll taxes, which would be partially paid by the employee through payroll reductions and partially paid by the provider. Providers and school systems received an additional 10% for bonus payments to cover costs associated with payroll taxes and other administrative/overhead costs.
- Providers were able to log into the [Provider Portal](#) to confirm the accuracy of payments and reconcile bank statements.

Payment Schedule: Bonus payments for November 2020 were paid in mid-December 2020, while the bonus payments for December were paid in late December 2020.

4. Emergency School-Age Family Support Program

The Emergency School-Age Family Support Program provided financial assistance for child care to parents/primary caregivers who have school-age a child/ren who is attending a licensed child care center or home or a registered community-based organization for remote learning as a result of the COVID-19 crisis. This program operated for the months of October and November 2020. Providers that registered children in the Emergency Provider Portal **prior to 9:00pm on Thursday, November 5, 2020**, were eligible to receive payment based on attendance that was recorded in the portal.

The Emergency School-Age Family Support Program was intended for children and families who do NOT already receive assistance with child care costs. Parents/caregivers with children with an active voucher for the Subsidized Child Care Assistance Program (SCCA) should not have completed a parent application for this emergency program.

Children were considered school-age if they were 5 years of age before August 31, 2020. Children age 13 years and older were not eligible for this program unless the child had a special need, was under court-ordered supervision, or received child protective services or foster care services.

Facility Eligibility

- All licensed or regulated facilities, regardless of star rating and regardless of current participation in the Subsidized Child Care Program, were eligible to participate in the program.

- All unlicensed community-based organizations (CBO) registered with DCDEE were eligible to participate in the program.

Family Eligibility

For a family to be eligible for the Emergency School-Age Family Support Program, it must have had:

- A school-age child/ren attending a licensed child care center or home or a registered CBO for remote learning AND
- A household income below 200 percent of the poverty line (please see chart below).

Persons in Household	2	3	4	5	6	7	8
Income Limit	\$33,820	\$42,660	\$51,500	\$60,340	\$69,180	\$78,020	\$86,860

**For household size greater than 8 people, add \$4,420 for each additional person starting with the 9th person.*

Emergency Child Care Subsidy Rates

Child care providers received the following rates for school-age children served through the Emergency School-Age Family Support Program for October and November 2020:

Rate	Child Care Centers	Family Child Care Homes	Community-Based Organizations
	\$870	\$645	\$516

**Rates were established using the state average for 75th percentile of the 2018 market rates for each group.*

Payments

- Providers were paid the full reimbursement rate for the month for each child enrolled in the Emergency School-Age Family Support Program if the child attended at least one day during each month. These emergency subsidy payments were paid outside of the NC FAST system.
- Although payments were not impacted by attendance, each child’s attendance must have been recorded for each month in order to receive payment.
- Providers were able to log into the Provider Portal for the Emergency School-Age Family Support Program to confirm the accuracy of payments and reconcile bank statements.

Copayments

The Emergency School-Age Family Assistance Program did not have parent copayments.

5. NC PRE-K PAYMENTS

For the 2020-2021 school year, DCDEE will provide payments to NC Pre-K Contracting Agencies based on their *contracted number of slots* for the 2020-2021 school year. DCDEE will provide payment for all

contracted slots to provide stabilization to NC Pre-K programs during the COVID-19 pandemic when overall child care enrollment has been low, as families have opted to keep children at home.

Payment during the 2020-2021 school year will not be based on attendance. Payments will be generated based on the assigned teacher rate and the number of slots allocated to each classroom. Therefore, contracting agencies must allocate the maximum number of contracted slots to their NC Pre-K sites, as all slots will be funded regardless of attendance.

Please read [Interim COVID-19 Reopening Policies for NC Pre-K Programs](#) for more detailed information regarding the goals, health and safety guidance, remote learning requirements, and reporting requirements related to the NC Pre-K program.

6. EMERGENCY CHILD CARE SUBSIDY PROGRAM PAYMENTS

Purpose: The Emergency Child Care Subsidy program provided financial assistance for child care to parents/primary caregivers who were essential workers (as defined by [Executive Order 121](#)). The Emergency Child Care Subsidy program operated beginning April 1, 2020, and continued for the months of April and May 2020. The Emergency Child Care Subsidy program ended on May 31, 2020. Providers may not enroll children after May 8, 2020, at 5:00PM but will receive emergency child care subsidy payments through the month of May for any children who were enrolled in the program as of May 8, 2020, at 5:00PM.

- *All licensed or regulated facilities, regardless of star rating and regardless of current participation in the Subsidized Child Care Program, were eligible to accept families for the Emergency Child Care Subsidy Program for essential workers.*

Family Eligibility: Parents or caregivers could receive financial assistance for emergency child care if they:

- were essential workers,
- had no other safe child care options,
- and had a household income below 300 percent of the poverty line (please see chart below).

Persons in Household	2	3	4	5	6	7	8
Income Limit	\$51,720	\$65,160	\$78,600	\$92,040	\$105,480	\$118,920	\$132,360

**For household size greater than 8 people, add \$4,480 for each additional person starting with the 9th person.*

Emergency Child Care Subsidy Rates: Child care providers received the following rates for new children served through the Emergency Child Care Subsidy program in April and May:

Age Group	Child Care Centers	Family Child Care Homes
Infant	\$ 1,200	\$ 905
2 Years Old	\$ 1,125	\$ 830
3-5 Years Old	\$ 1,070	\$ 780
School Age (6+)	\$ 870	\$ 645

**Rates were established using the state average for 75th percentile of the 2018 market rates for each group and adding an additional \$200 per child per age group.*

Payments: Payments for children who are served under the Emergency Child Care Subsidy Program in April and May were made in addition to the Subsidized Child Care Program payments detailed in the section above.

- Payments for Emergency Child Care Subsidy were based on attendance of children in April or May. These emergency subsidy payments were paid outside of the NC FAST system.
- Providers were paid the full reimbursement rate for the month for each child enrolled in the Emergency Child Care Subsidy Program unless the child was absent from the facility more than ten service days in a month.
 - If a child's absences exceeded ten days during a service month, the provider was paid for the actual days that care was provided. Calculation of the payment was determined using the daily rate. To calculate the daily rate, divide the reimbursement rate by 21.67 then multiply that by the number of days the child attended.
- Providers were able to log into the Provider Portal for Emergency Child Care Subsidy to confirm the accuracy of payments and reconcile bank statements.

Copayments: The Emergency Child Care Subsidy Program did not have parent copayments.

Payment Schedule: Payments for Emergency Child Care Subsidy Program for April and May services were paid on May 15, 2020, and June 12, 2020, respectively.

ADDITIONAL RESOURCES

- If you have general questions, contact DCDEE at 1-800-859-0829.
- If you have questions about the [COVID-19 Child Care Reopening Application](#) or [COVID-19 Child Care Provider Survey](#), contact your child care consultant.
- If you have questions about the Subsidized Child Care Program or the Emergency Child Care Subsidy Program, contact your Subsidy TA Consultant.
- If you have health-related questions or concerns, contact your [child care health consultant](#).
- If you need additional help accessing food, cleaning supplies, or other essential resources needed to provide care during the COVID-19 crisis, contact your [local Smart Start partnership](#).